

Senate Bill No. 1028

Passed the Senate August 25, 2016

Secretary of the Senate

Passed the Assembly August 23, 2016

Chief Clerk of the Assembly

This bill was received by the Governor this _____ day
of _____, 2016, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to add Chapter 6 (commencing with Section 8385) to Division 4.1 of the Public Utilities Code, relating to public utilities.

LEGISLATIVE COUNSEL'S DIGEST

SB 1028, Hill. Electrical corporations: local publicly owned electric utilities: electrical cooperatives: wildfire mitigation plans.

The California Constitution establishes the Public Utilities Commission, authorizes the commission to establish rules for all public utilities, subject to control by the Legislature, and authorizes the Legislature, unlimited by the other provisions of the California Constitution, to confer additional authority and jurisdiction upon the commission that is cognate and germane to the regulation of public utilities. The Public Utilities Act provides the commission with broad authority over public utilities, including electrical corporations, while local publicly owned electric utilities and electrical cooperatives are under the direction of their governing boards. Existing law establishes requirements for equipment, practices, and facilities for public utilities, including standards, enforceable by the commission, for installation and maintenance of wires or cables used to conduct electricity. Under existing law, a violation of the Public Utilities Act or any order, decision, rule, direction, demand, or requirement of the commission is a crime.

This bill would require each electrical corporation, local publicly owned electric utility, and electrical cooperative to construct, maintain, and operate its electrical lines and equipment in a manner that will minimize the risk of catastrophic wildfire posed by those electrical lines and equipment. The bill would require each electrical corporation to annually prepare a wildfire mitigation plan. The bill would require each electrical corporation to submit its plan to the commission for review, as specified. The bill would require the commission to review and comment on the submitted plan, as specified. The bill would require the governing board of a local publicly owned electric utility or electrical cooperative to determine whether any portion of the geographical area where the utility's overhead electrical lines and equipment are located has a significant risk of catastrophic wildfire resulting from those

electrical lines and equipment and, if so, would require the local publicly owned electric utility or electrical cooperative, at an interval determined by the board, to present to the board for its approval those wildfire mitigation measures the utility intends to undertake to minimize the risk of its overhead electrical lines and equipment causing a catastrophic wildfire. By placing additional duties upon local publicly owned electric utilities, the bill would impose a state-mandated local program. Because a violation of these provisions by an electrical corporation would be a crime, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for specified reasons.

The people of the State of California do enact as follows:

SECTION 1. Chapter 6 (commencing with Section 8385) is added to Division 4.1 of the Public Utilities Code, to read:

CHAPTER 6. WILDFIRE MITIGATION

8385. (a) For purposes of this chapter, the following shall apply:

(1) “Compliance period” means a period of approximately one year.

(2) “Electrical cooperative” has the same meaning as defined in Section 2776.

(b) The commission shall supervise an electrical corporation’s compliance with the requirements of this chapter pursuant to the Public Utilities Act (Part 1 (commencing with Section 201) of Division 1). Nothing in this chapter affects the commission’s authority or jurisdiction over an electrical cooperative or local publicly owned electrical corporation.

8386. (a) Each electrical corporation shall construct, maintain, and operate its electrical lines and equipment in a manner that will minimize the risk of catastrophic wildfire posed by those electrical lines and equipment.

(b) Each electrical corporation shall annually prepare and submit a wildfire mitigation plan for the next compliance period to the commission for review. The wildfire mitigation plan shall include:

(1) An accounting of the responsibilities of persons responsible for executing the plan.

(2) The objectives of the plan.

(3) A description of the preventive strategies and programs to be adopted by the electrical corporation to minimize the risk of its electrical lines and equipment causing catastrophic wildfires.

(4) A description of the metrics the electrical corporation plans to use to evaluate the plan's performance and the assumptions that underlie the use of those metrics.

(5) A discussion of how the application of previously identified metrics to previous plan performances has informed the plan.

(6) A description of the processes and procedures the electrical corporation will use to do the following:

(A) Monitor and audit the implementation of the plan.

(B) Identify any deficiencies in the plan or the plan's implementation and correct those deficiencies.

(C) Monitor and audit the effectiveness of electrical line and equipment inspections, including inspections performed by contractors, carried out under the plan and other applicable statutes and commission rules.

(7) Any other information that the commission may require.

(c) The commission shall act expeditiously, but no later than 30 days before the beginning of the compliance period, to review and comment on the electrical corporation's wildfire mitigation plan.

(d) The commission shall provide the electrical corporation with an opportunity to amend a wildfire mitigation plan in response to commission comments within 30 days.

(e) The commission shall conduct or contract for audits to determine if an electrical corporation is satisfactorily complying with its wildfire mitigation plan.

(f) The commission may contract with an independent third party to evaluate wildfire mitigation plans or to conduct audits and inspections authorized by this section, and may require electrical corporations to reimburse any related expenses.

8387. (a) Each local publicly owned electric utility and electrical cooperative shall construct, maintain, and operate its

electrical lines and equipment in a manner that will minimize the risk of catastrophic wildfire posed by those electrical lines and equipment.

(b) The governing board of the local publicly owned electric utility or electrical cooperative shall determine, based on historical fire data and local conditions, and in consultation with the fire departments or other entities responsible for control of wildfires within the geographical area where the utility's overhead electrical lines and equipment are located, whether any portion of that geographical area has a significant risk of catastrophic wildfire resulting from those electrical lines and equipment.

(c) If, pursuant to subdivision (b), the governing board determines that there is a significant risk of catastrophic wildfire resulting from the utility's electrical lines and equipment, the local publicly owned electric utility or electrical cooperative shall, at an interval determined by the board, present to the board for its approval those wildfire mitigation measures the utility intends to undertake to minimize the risk of its overhead electrical lines and equipment causing a catastrophic wildfire.

(d) A fire prevention plan prepared by the local publicly owned electric utility or electrical cooperative, submitted to and approved by a federal agency as a license condition pursuant to subsection (e) of Section 4 of the Federal Power Act (16 U.S.C. Sec. 797 (e)) may, at the discretion of the governing board, be deemed to meet the requirements of this chapter for those areas covered by the fire prevention plan.

SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act or because costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

Approved _____, 2016

Governor